



MARAD FACT SHEET

Marine Transportation System Initiative and SEA-21



America's Advocate for the Maritime Industry

Maggie D. Blum
Associate Administrator for Port, Intermodal, and
Environmental Affairs

Raymond Barberesi, Director
Keith Lesnick
Office of Ports and Domestic Shipping

Voice: (202) 366-4721
Fax: (202) 366-6988

Strategic Objective: Commercial mobility and environment— Promote and facilitate a United States maritime transportation system that improves the safe and efficient movement of people and goods.

Vision: The U.S. Marine Transportation System (MTS) will be the world's most technologically advanced, safe, secure, efficient, effective, accessible, globally competitive, dynamic and environmentally responsible system for moving people and goods

Mission: The mission of the U.S. MTS is to move people and freight on the water in a safe, efficient, secure, and environmentally responsible manner to grow the economy and protect our national security interests.

Background: The National Conference on MTS was convened in 1998 to discuss development of a shared national vision for the MTS, and to promote public and private coordination of MTS activities. As an initial step in the development of this strategy, the National Conference created a Task Force to draft a Report to Congress entitled *An Assessment of the Marine Transportation System*.

The Maritime Administration (MARAD) and the U.S. Coast Guard led the MTS initiative from 1998 to 2003 when the U.S. Coast Guard moved to the Department of Homeland Security. MARAD now leads the initiative within DOT and sponsors the National Advisory Council.

The Report to Congress ultimately became the foundation document of the MTS initiative. As a direct result, two groups were formed, the Federal Interagency Committee on the MTS and the MTS National Advisory Council. The federal committee, the Interagency Committee for the MTS, consists of several federal agencies and while once chaired solely by the U.S. Coast Guard, is now chaired jointly with MARAD. The MTS National Advisory Council is a non-federal council created to advise the Secretary of Transportation. The Council consists of 30 private sector transportation providers, users and beneficiaries of the MTS and is sponsored by MARAD.

The National Advisory Council advises the Secretary on all waterborne related transportation issues. For example, the Council came together and provided timely recommendations to Secretary Mineta during the West Coast Port disruption of 2002. (The Council's recommendations were ultimately used in formulating White House policy on this issue).

Secretary Mineta has challenged the Council to find water-based solutions to our national surface transportation congestion problems. He has suggested a SEA-21 initiative to complement existing surface and air transportation initiatives. The Council has created teams to assist in formulating legislative policy.

Additionally, the Council indicated that an MTS system needs assessment would be required to advise them of specific technical recommendations. The assessment was completed in May of 2003. The Coast Guard, with MARAD input, is sponsoring the Transportation Research Board's Marine Board in studying various federal roles in which the members of the Interagency Committee can facilitate water transportation.

In March 2003 the United States Chamber of Commerce released a report ("Trade and Transportation: A Study of North American Port and Intermodal Systems") that calls for the transport modes to cooperatively explore new funding streams for intermodal and port development. The Chamber's study validated the forecast for a significant increase in international trade, and called for legislative action to create new funding streams for the MTS.

In May of 2003 the Council elected Mr. John Gaughan, former Maritime Administrator as the new Chair and Mr. Joseph Miniace, of the Pacific Maritime Association as Vice-Chair. Captain William G. Schubert, Maritime Administrator, addressed the Council at this meeting and informed them that Secretary Mineta was to launch a major legislative initiative known as "Safe, Accountable, Flexible and Efficient Transportation Equity Act of 2003" (SAFETEA). Captain Schubert also advised the Council that the SEA-21 proposal from the MTSNAC must propose realistic funding based on sound policy.

Discussion: The Secretary formed a Department of Transportation SEA-21 working group, chaired by Chris Strobel, to evaluate potential options and elements of such a legislative initiative. MARAD plays a leading role in that working group. At the same time, MARAD, as the sponsor of the MTS National Advisory Council, is working with the MTSNAC to facilitate non-federal stakeholder input into the initiative. The Council is uniquely positioned to draw perspectives from the industry to develop grass roots support for legislation that would ultimately benefit the entire transportation system. The Interagency Committee on MTS is also actively engaged in developing legislative input from the federal stakeholders.

There are a number of private sector associations and trade groups that are examining the issue of SEA-21 and the need to improve our transportation system capabilities. For example, the U.S. Chamber of Commerce formed a national coalition - Americans for Transportation Mobility - to build support for improvements to our national transportation system. Additionally, the International Association of North America and several other transportation associations created the Coalition for America's Gateways and Trade Corridors to focus attention on the need to invest in expanding and modernizing the intermodal freight transportation infrastructure.

The MTS National Advisory Council plans to present Secretary Mineta with its SEA-21 legislative recommendations after they have been ratified at the Council's September meeting.